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(Original Signature of Member)

119TH CONGRESS
2^D SESSION

H. R. _____

To amend title XII of the Social Security Act to require States to first use certain funds to pay outstanding balances on advances made under such title prior to using such funds for any other purpose.

IN THE HOUSE OF REPRESENTATIVES

Mr. FONG introduced the following bill; which was referred to the Committee
on _____

A BILL

To amend title XII of the Social Security Act to require States to first use certain funds to pay outstanding balances on advances made under such title prior to using such funds for any other purpose.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Creating Account-
5 ability in Loan Repayment Act” or the “CAL Repayment
6 Act”.

1 **SEC. 2. REQUIREMENT TO USE CERTAIN FUNDS TO PAY**
2 **OUTSTANDING UI ADVANCES.**

3 (a) REQUIREMENT.—Section 1202 of the Social Se-
4 curity Act (42 U.S.C. 1322) is amended by adding at the
5 end the following:

6 “(d)(1) In the case that a State receives funds,
7 whether originating as a grant, transfer, or other form of
8 payment, from the Federal Government that may be used
9 to repay an advance made under section 1201, the State
10 shall, within 5 business days of the funds becoming avail-
11 able to the State, use such funds to repay any such out-
12 standing advance prior to using the grant for any other
13 purpose.

14 “(2) If the Secretary determines that a State has vio-
15 lated paragraph (1) by using such funds for any other pur-
16 pose prior to repaying any such outstanding advances, the
17 State shall, within 5 business days of such determination,
18 pay to the Federal Government an amount equal to the
19 full amount of the funds.”.

20 (b) EFFECTIVE DATE.—The amendment made by
21 this Act shall apply with respect to funds awarded on or
22 after the date of enactment of this Act.